

JS

26 September 1963

MEMORANDUM FOR THE RECORD

SUBJECT: DCI Meeting on Proposals for Increased Security Practices
in NSA, NPIC and throughout the Intelligence Community
Generally

1. The meeting was held in the DCI's office after lunch on Wednesday, 25 September, to discuss the draft memorandum prepared by Mr. Bannerman on the subject of NSA security and a general subject of security practices suggested by this memorandum. In addition to the DCI, Generals Blake, Carroll and Carter and Messrs. and Bross were present.

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2. The DCI opened the meeting by referring to Mr. Bannerman's memorandum. He stated that the basic question seemed to be whether it was practicable to apply security practices now in effect with respect to civilian employees of NSA to military personnel and whether, if this is practical, it would serve a useful purpose.

3. General Carroll opened the discussion with a review of implications of introducing the polygraph as an essential ingredient of all security clearances. If such a policy were accepted, he doubted that it was either logical or desirable to limit its application to NSA. He said that a basic study of this and related problems was in the process of preparation in the Defense Department and that he was waiting for a contribution from G-2. As a part of the review of the entire security picture, General Carroll has advocated "cause and effect studies" designed to identify the specific relationship of certain security practices to the disclosure of particular security risks or incidents of compromise. He pointed out that while the clearing of personnel is obviously an essential prerequisite to good security, the problem of identifying "bad apples" who are already on board is equally and possibly more important.

4. General Blake doubted the practicability of distinguishing between NSA and other components of the cryptographic community for the purpose of establishing security standards and criteria, at least as regards the use of the polygraph

5. The DCI took rather strong issue with the argument that NSA could not be regarded as an independent component to which higher security standards should be applicable. He pointed out that NSA is the recipient of highly sensitive papers and intelligence information emanating from cryptographic activity and also from other components of the Intelligence Community as a whole. He pointed out that the papers found in [] possession included a number of documents from CIA. The very broad access to classified material in NSA therefore would seem to justify the imposition of a different level of security procedures than would be necessary in the cryptographic services abroad.

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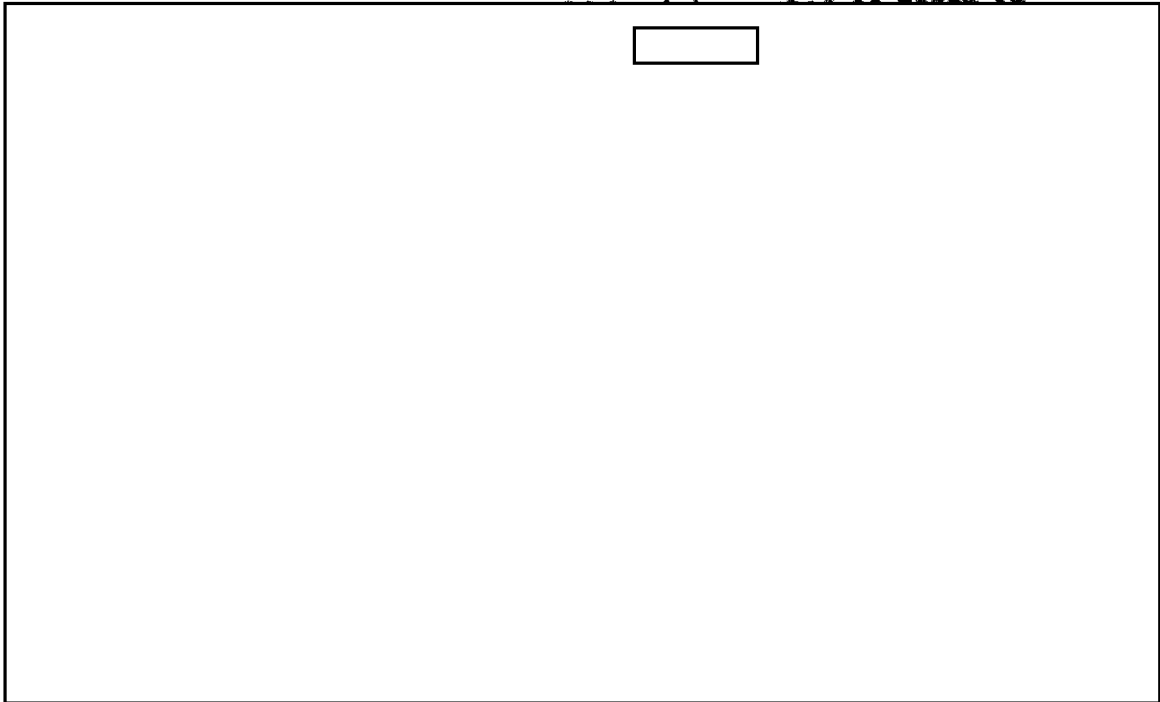
6. [] stated that he was glad to participate in the discussion but would not join in any recommendations as the FBI was not formally involved. Reverting to the subject of the polygraph, [] pointed out that a Congressional Committee is investigating the use of the polygraph by Government agencies generally, and that the imposition of a new directive extending the use of the polygraph within the Military Services would in all probability come to the attention of this committee with attendant publicity. He stated that the FBI does not use the polygraph as part of their normal screening technique, although they do rely on it in occasional cases and have found it a very useful adjunct to interrogations.

He also emphasized the distinction between the screening process and the inspection process and stressed the importance of an independent inspection staff available immediately to the head of an agency to investigate standards and the implications of specific security situations.

He further stressed the importance of the authority to discharge employees and suggested that consideration be given to seeking this legislation to provide NSA with this authority. Finally, [] suggested that in determining the admissibility of a candidate for employment in a sensitive agency, all questions must be resolved against the applicant.

7. General Blake then undertook specific comments on Mr. Bannerman's memorandum submitting a written paper which he had prepared for this purpose. He stressed the fact that the problem of improving security practices in NSA and elsewhere in the Community was an urgent and pressing, as well as an extremely complex problem. He pointed out that many of the proposals made in the context of the [] case had been under review and consideration for a long time. []

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Finally, he expressed the hope that the memorandum in its present form would not be forwarded to the Secretary of Defense.

8. There followed some general discussion of the administrative difficulties inherent in the transfer of military personnel from a sensitive to a non-sensitive assignment. The meeting was generally in agreement concerning the importance of measures to identify and apprehend security risks who are already on board. General Blake referred to what he thought was some misunderstanding between him and the President's Foreign Intelligence Advisory Board with respect to efforts to survey staff echelons of an intelligence agency. The DCI referred to a comment attributed to the Board to the effect that members of the Board had reason to believe that

Reverting to the case, he asked why behavior had not provoked the suspicions of his colleagues. General Blake said that in retrospect perhaps it should have been noticeable but that he doubted whether there was practically more than a 5% probability that it actually would have been.

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9. In conclusion, the DCI said that he thought the meeting had served a very useful purpose and had identified the various problem areas. He said he thought that the discussion had afforded a fuller and better understanding of the obstacles to the implementation of at least some of Mr. Bannerman's recommendations and undertook to take the entire matter under appraisal.

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